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PUBLIC UTILITIES
COMMISSION

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

-----In the Matter of the Application of-----)

HAWAIIAN ELECTRIC COMPANY, INC.)

For Approval of Rate Increases and Revised)
Rate Schedules and Rules)
_____)

Docket No. 2008-0083

STIPULATED PROCEDURAL ORDER

AND

CERTIFICATE OF SERVICE


BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

-----In the Matter of the Application of-----))	
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HAWAIIAN ELECTRIC COMPANY, INC.)	Docket No. 2008-0083
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For Approval of Rate Increases and Revised)	
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STIPULATED PROCEDURAL ORDER

Applicant Hawaiian Electric Company, Inc. ("HECO"), the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs (the "Consumer Advocate") and the Department of the Navy on behalf of the Department of Defense (the "DOD") hereby stipulate that the attached Stipulated Procedural Order is mutually acceptable to each respective Party.

DATED: Honolulu, Hawaii, January 15, 2009.



DARCY L. ENDO-OMOTO
Vice President
Hawaiian Electric Company, Inc.



CATHERINE P. AWAKUNI
Executive Director
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Department of Commerce and Consumer Affairs

DR. KHOJASTEH DAVOODI, P.E.
Director
Utility Rates and Studies Office
Department of the Navy

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STIPULATED PROCEDURAL ORDER

On July 3, 2008, Hawaiian Electric Company, Inc. ("HECO") filed an application for approval of a general rate increase and revised rate schedules and rules ("Application"). HECO served copies of the Application on the Division of Consumer Advocacy, Department of Commerce and Consumer Affairs ("Consumer Advocate") and the Mayor of the City and County of Honolulu.

On September 18, 2008, the Commission held a public hearing at the Public Utilities Commission Hearing Room (Room B-3) in Honolulu.

On July 29, 2008, the Department of the Navy on behalf of the Department of Defense (the "DOD") filed a Motion to Intervene and Become a Party.

On August 20, 2008, the Commission issued an order granting intervention to the DOD.

On August 20, 2008, Wal-Mart Stores, Inc. and Sam's West, Inc. (collectively, "Wal-Mart") filed a Motion to Intervene in this docket. On August 27, 2008, HECO filed a Memorandum in Opposition to Wal-Mart's motion. On September 2, 2008, Wal-Mart filed a Notice of Withdrawal without prejudice of Motion to Intervene. On September 2, 2008, Wal-Mart filed a second Motion to Intervene in this docket.

On September 29, 2008, the Hawaii Commercial Energy Customer Group (the “Commercial Group”), filed a Motion to Intervene in this docket. On October 1, 2008, Wal-Mart filed a Notice of Withdrawal and of its participation through the Commercial Group. On October 7, 2008, HECO filed a Memorandum in Opposition to the Commercial Group’s motion.

On October 2, 2008, HECO, the Consumer Advocate, and the DOD (collectively, the “Parties”) filed a Stipulation for Protective Order. On October 31, 2008, the Parties provided explanations for material modifications in the proposed protective order.

On October 31, 2008, the Commission issued an order denying: (1) Motion to Intervene and Become a Party filed by Wal-Mart on August 20, 2008; (2) Motion to Intervene and Become a Party filed by Wal-Mart on September 2, 2008; (3) Motion to Intervene and Become a Party filed by the Commercial Group on September 29, 2008; and (4) Commercial Group’s Motion for Leave to File Reply to HECO’s Memorandum in Opposition to Commercial Group’s Intervention Motion, filed on October 21, 2008. In addition, the Commission found HECO’s application to be complete and properly filed under §269-16(d) of the Hawaii Revised Statutes (“HRS”) and §6-61-87 of the Hawaii Administrative Rules (“HAR”), ordered that the filing date of HECO’s application is July 3, 2008, and directed the Parties to submit to the Commission a stipulated procedural order by December 2, 2008.

On November 21, 2008, the Commission issued a Protective Order to govern the classification, acquisition and use of confidential information by any party in this docket.

On December 1, 2008, HECO requested, on behalf of the Parties, an extension, until December 23, 2008, to file a stipulated procedural order. The Commission granted the extension to the Parties by letter dated December 18, 2008. On December 23, 2008, the Parties requested

additional time to submit a stipulated procedural order, requesting an extension until January 13, 2009. On December 31, 2008, the Commission approved HECO's request, filed on December 23, 2008, for an extension of time for the Parties to file a stipulated procedural order in this docket.

HECO, the Consumer Advocate and the DOD have reached agreement on the prehearing matters and submit a Stipulated Procedural Order acceptable to the Parties.

ACCORDINGLY, IT IS ORDERED that the following Statement of Issues, Schedule of Proceedings, and procedures shall be utilized in this docket.

I. STATEMENT OF THE ISSUES

The issues in this case are:

1. Is HECO's proposed rate increase reasonable?
 - a. Are the proposed tariffs, rates, charges and rules just and reasonable?
 - b. Are the revenue forecasts for the 2009 test year at current effective rates, present rates, and proposed rates reasonable?
 - c. Are the projected operating expenses for the 2009 test year reasonable?
 - d. Is the projected rate base for the 2009 test year reasonable, and are the properties included in rate base used or useful for public utility purposes?
 - e. Is the requested rate of return fair?
2. What is the amount of the Interim Rate Increase, if any, to which HECO is probably entitled under §269-16(d) of the HRS?
3. Should HECO's Campbell Industrial Park Combustion Turbine Unit 1 Step Increase be approved, and if so, at what amount?
4. Should the Commission approve the establishment of a revenue balancing account

for a decoupling mechanism to be effective upon issuance of the interim decision and order in this proceeding?

5. Is HECO's proposed Purchase Power Adjustment Clause to recover non-energy purchased power agreement costs just and reasonable?

II. SCHEDULE OF PROCEEDINGS

HECO Application, Direct Testimonies, Exhibits and Workpapers	July 3, 2008
Public Hearing	September 18, 2008
Consumer Advocate and DOD Information Requests ("IRs") to HECO ¹	July 7, 2008 August 7, 2008 August 18, 2008 August 25, 2008 August 26, 2008 September 8, 2008 September 11, 2008 September 24, 2008 September 26, 2008 October 7, 2008
HECO Witness Interviews	September 10, 2008 – September 12, 2008
HECO Responses to Consumer Advocate and DOD IRs ¹	July 24, 2008 August 28, 2008 September 8, 2008 September 9, 2008 September 15, 2008 September 29, 2008 October 6, 2008 October 15, 2008 October 17, 2008 October 23, 2008
Rate Case Update	November 26, 2008 – December 26, 2008
HECO Witness Interviews (Rate Case Update)	December 18, 2008 – December 19, 2008
Consumer Advocate and DOD Information Requests ("IRs") to HECO ^{1,2}	December 29, 2008 – March 16, 2009
HECO Responses to Consumer Advocate and DOD IRs ^{1,3}	January 19, 2009 – March 30, 2009

¹ Whenever possible, Parties/Participants will provide a copy of documents electronically upon request.

² No more than 1 submission of IRs per week.

³ Responses due within 3 weeks, with last submission on March 30, 2009.

Consumer Advocate and DOD Testimonies, Exhibits and Workpapers	April 17, 2009 (Revenue Requirements) April 28, 2009 (Cost of Service/Rate Design)
Exploratory Discussions	April 23, 2009 – April 25, 2009
HECO IRs to Consumer Advocate and DOD ¹	April 24, 2009 (Revenue Requirements) May 4, 2009 (Cost of Service/Rate Design)
Settlement Proposal to Consumer Advocate and DOD	April 29, 2009
Settlement Discussion	May 4, 2009 – May 6, 2009
Submission of Joint Settlement Letter	May 15, 2009
Consumer Advocate and DOD Responses to HECO IRs ¹	May 15, 2009 (Revenue Requirements) May 15, 2009 (Cost of Service/Rate Design)
Statement of Probable Entitlement and Proposed Interim Decision and Order	May 18, 2009
HECO Rebuttal Testimonies, Exhibits, and Workpapers	May 22, 2009 (Revenue Requirements) June 3, 2009 (Cost of Service/Rate Design)
Consumer Advocate and DOD Rebuttal IRs (“RIRs”) to HECO ¹	June 12, 2009 (Revenue Requirements) June 17, 2009 (Cost of Service/Rate Design)
HECO’s Responses to Consumer Advocate and DOD RIRs ¹	July 2, 2009 (Revenue Requirements) July 7, 2009 (Cost of Service/Rate Design)
Prehearing Conference	July 9, 2009
Evidentiary Hearing	July 13, 2009 – July 17, 2009
Simultaneous Opening Briefs by Parties	4 weeks after Transcripts
Simultaneous Reply Briefs by Parties	3 weeks after Opening Briefs

III. MISCELLANEOUS MATTERS TO FACILITATE AND EXPEDITE THE ORDERLY CONDUCT OF THESE PROCEEDINGS

A. Requests for Information

A Party to this proceeding may submit information requests to another Party within the time schedule specified in this Stipulated Procedural Order. If a Party is unable to provide the information requested within the prescribed time period, it should so indicate to the inquiring Party as soon as possible. The Parties shall then endeavor to agree upon a later date for submission of the requested information. If the Parties are unable to agree, the responding Party may seek approval for the late submission from the Commission upon a showing of good cause. It is then within the Commission’s discretion to approve or disapprove such late filings and take

any additional action that may be appropriate, such as extending the date for the Party to respond.

In lieu of responses to information requests that would require the reproduction of voluminous documents or materials (e.g. documents over 50 pages), the documents or materials may be made available for reasonable inspection and copying at a mutually agreeable designated location and time. In the event such information is available on computer diskette or other readily usable electronic medium, the Party responding to the information request shall make the diskette or such electronic medium available to the other Parties, and the Commission. Subject to objections that may be raised and to the extent practicable, the electronic files for spreadsheets will contain all cell references and formulae intact, and will not be converted to values prior to submission. A Party shall not be required, in a response to an information request, to provide data that is/are already on file with the Commission or otherwise part of the public record, or that may be stipulated to pursuant to Part D, infra. The responding Party shall, in lieu of production of a document in the public record, include in its response to the information request an identification of the document with reasonable specificity sufficient to enable the requesting Party to locate and copy the document. In addition, a Party shall not be required, in a response to an information request, to make computations, compute ratios, reclassify, trend, calculate, or otherwise rework data contained in its files or records.

For each response to an information request, the responding Party should identify the person who is responsible for preparing the response as well as the witnesses who will be responsible for sponsoring the response at the evidentiary hearing.

A Party may object to responding to an information request that it deems to be irrelevant, immaterial, unduly burdensome, onerous or repetitious, or where the response contains

information claimed to be privileged or subject to protection (confidential information). If a Party claims that information requested is confidential, and withholds production of all or a portion of such confidential information, the Party shall: (1) provide information reasonably sufficient to identify the confidential information withheld from the response, without disclosing privileged or protected information; (2) state the basis for withholding the confidential information (including, but not limited to, the specific privilege applicable or protection claimed for the confidential information and the specific harm that would befall the Party if the information were disclosed); and (3) state whether the Party is willing to provide the confidential information to some or all representatives of the Party pursuant to a protective order.

A Party seeking production of documents notwithstanding a Party's claim of confidentiality, may file a motion to compel production with the Commission.

The responses of each Party to information requests shall adhere to a uniform system of numbering agreed upon by the Parties. For example, the first information request submitted by the Consumer Advocate in this docket shall be referred to and designated as "CA-IR-1," and a response to this information request shall be referred to and designated as "Response to CA-IR-1."

Each response shall be provided on a separate page and shall recite the entire question asked and set forth the response and/or reference the attached responsive document.

B. Witnesses

Witnesses submitting written testimony and exhibits shall be made available for cross-examination at the evidentiary hearing. Witnesses should file the workpapers used in preparing the evidence they sponsor at the time they submit their testimony and exhibits (statement of position) and have such workpapers available at the evidentiary hearing. Witnesses will not be permitted to read prefiled written testimony at the evidentiary hearings.

At the evidentiary hearing, each witness may give a brief oral summary of the written testimony and exhibits and shall summarize the issues raised by such testimony or statement of position. Each witness shall be subject to cross-examination for both direct and rebuttal testimony and exhibits or statement of position.

The Parties shall cooperate to accommodate the schedules of mainland witnesses and will inform the Commission in advance of any scheduling difficulties with respect to such witnesses. If a Party has an objection to a timely request to schedule a mainland witness in advance of other witnesses, the Party shall make a timely objection to the Commission. The Parties will make their best effort to accommodate the schedules of mainland witnesses by coordinating their appearance at the evidentiary hearing.

C. Form of Prepared Testimony

All prepared testimony, including text and exhibits, shall be prepared in written form on 8-1/2" x 11" paper with line numbers and page numbers, and shall be served on the dates designated in the Schedule of Proceedings.

Each Party shall be permitted to follow its own numbering system for written testimony and exhibits, provided that the numbering system utilized is consistent and is clearly understandable. Each Party shall prepare a list of its exhibits by exhibit numbers and titles.

The Parties shall be permitted to make revisions to exhibits after the designated dates appearing in the Schedule of Proceedings. Revisions shall bear appropriate revision dates. However, revisions or additions that do more than correct typographical errors, update facts, or give numerical comparisons of the positions taken by the Parties, shall not be submitted except with the approval of the Commission.

Generally, exhibits should include appropriate footnotes, or narratives inserted in the

related testimony, setting forth the sources of the information used and explaining the methods employed in making statistical compilations or estimates.

D. Matters of Public Record

To reduce unnecessary reproduction of documents and to facilitate these proceedings, identified matters of public record shall be admissible in this proceeding without the necessity of reproducing each document; provided that the document to be admitted is clearly identified by reference to the place of publication, file or docket number, and the identified document is available for inspection by the Commission and the Parties; and further provided that any Party has the right to explain, qualify or conduct examination with respect to the identified document. The Commission can rule on whether the identified document can be admitted into evidence when a Party proffers such document for admission as evidence in this case.

From time to time, the Parties may enter into stipulations that such documents, or any portion of such documents, may be introduced into evidence in this case.

E. Copies of Testimony, Exhibits and Information Requests

1. Testimony, Exhibits, Workpapers, Information Requests, Responses to Information Requests, Briefs:

Commission	Original + 8 copies
HECO	3 copies
Consumer Advocate	6 copies
DOD	2 copies

2. All pleadings, briefs and other documents required to be filed with the Commission shall comply with the formatting requirements prescribed pursuant to Chapter 61, Subchapter 2, Section 6-61-16 of the Commission's Rules of Practice and Procedure and shall be filed at the office of the Commission in Honolulu within the time limit prescribed pursuant to Chapter 61, Subchapter 2, Section 6-61-15 of the Commission's Rules of Practice and Procedure.

3. Copies of all filings, information requests and information request responses should be sent to the Parties by hand delivery or United States mail (first class, postage prepaid). In addition, if available, all Parties shall provide copies of their filings, information requests and information request responses to the other Parties via diskette or e-mail in a standard electronic format that is readily available by the Parties. The Parties agree to use Word 97, Word 2000 or Word 2003 as the standard programming format for filings in this case. However, if workpapers, documentation, or exhibits attached to any filing are not readily available in an electronic format, a Party shall not be required to convert such workpapers, documentation, or exhibits into an electronic format. Also, existing documents produced in response to requests need not be converted to Word 97/Word 2000/Word 2003 as long as the applicable format is identified. In the event a copy of a filing, information request or information request response is delivered to a Party via diskette or e-mail, unless otherwise agreed to by such Party, the same number of copies of such filing, information request or information request response must still be delivered to such Party by hand delivery or United States mail (first class, postage prepaid) as provided in Parts E.1 above.

F. Order of Examination at the Evidentiary Hearing

Pursuant to Chapter 61, Subchapter 3, Section 6-61-31, of the Commission's Rules of Practice and Procedure, HECO's witnesses shall open with its direct case. The Consumer Advocate's direct case shall be presented after HECO's direct case, followed by DOD's direct case. HECO shall close with its rebuttal case.

Examination of any witness shall be limited to one attorney or representative for a Party. The Parties shall avoid duplicative or repetitious cross-examination. Friendly cross-examination will not be allowed. Cross-examination shall be limited to witnesses whose testimony is adverse

to the Party desiring to cross-examine. Recross-examination shall be limited to the extent of material covered in redirect examination unless otherwise permitted by the Commission.

G. Communications

Chapter 61, Subchapter 3, Section 6-61-29 of the Commission's Rules of Practice and Procedure concerning ex parte communications is applicable to any communications between a Party and the Commission. However, the Parties may communicate with Commission counsel on matters of practice and procedure through their own counsel or designated official.

Communications between the Parties should either be through counsel or through designated representatives. All pleadings, papers, and other documents filed in this proceeding shall be served on the opposing Party. All motions, supporting memoranda, and the like shall also be served on opposing counsel.

H. General

These procedures are consistent with the orderly conduct of this docket. This Stipulated Procedural Order shall control the subsequent course of these proceedings, unless modified by the Parties in writing and approved by the Commission, or upon the Commission's own motion.

This Stipulated Procedural Order may be executed by the Parties in counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same instrument. The Parties may execute this Stipulated Procedural Order by facsimile for initial submission to the Commission to be followed by the filing of originals of said facsimile pages.

DONE at Honolulu, Hawaii, this _____ day of _____, 2009.

PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By _____
Carlito P. Caliboso, Chairman

By _____
John E. Cole, Commissioner

By _____
Leslie H. Kondo, Commissioner

APPROVED AS TO FORM:

By _____
Kaiulani Kidani Shinsato
Commission Counsel

CERTIFICATE OF SERVICE

The foregoing Stipulated Procedural Order was served on the date of filing by mail, postage prepaid, and properly addressed to the following:

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